

~ *United States Congress* ~

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BILLS WOULD EASE TRADE, TRAVEL BETWEEN U.S. AND CUBA

*Baucus, Rangel, Crapo, Emerson seek to promote agricultural sales,
end strict regulations that keep American farmers and ranchers from exporting goods*

Washington, DC – Senate Finance Committee Chairman **Max Baucus** (D-Mont.) and House Ways and Means Committee Chairman **Charles Rangel** (D-New York), along with **U.S. Senator Mike Crapo** (R-Idaho) and **U.S. Rep. Jo Ann Emerson** (R-Mo.), introduced legislation today to boost American agricultural trade with Cuba and to lift the U.S. ban on travel to that nation. The “Promoting American Agricultural and Medical Exports to Cuba Act of 2007” would put an end to Treasury Department rules that make trade with Cuba all but impossible for small U.S. exporters, require the U.S. Department of Agriculture to promote sales to Cuba, and lift the travel ban that keeps nearly all Americans out of Cuba, including ranchers and farmers trying to facilitate trade deals.

“The Cuban economy continues to grow despite the U.S. embargo, and American exporters are forced to sit idly by while Chinese and Canadian companies take advantage of opportunities in our backyard,” said Baucus. “Outdated, unnecessary, and overzealous restrictions are putting Americans, not Fidel Castro, at disadvantage. This legislation does not lift the embargo, but it is an important first step toward modernizing our Cuba policy and improving the economic competitiveness of American ranchers and farmers.”

“I commend my colleagues in the House and the Senate who are working in a bi-partisan way to fix a policy that has been broken for a long time and that hurts no one but Americans who are being denied their right to travel and to compete for business,” Congressman Rangel said.

“Unfortunately, Idaho products have made up very little of the \$1.5 billion in U.S. agriculture exports to Cuba since the initial easing of trade restrictions,” Crapo said. “That is due to the continued difficulty and additional obstacles that have been placed on exporting to the country. Cuba represents an important opportunity for agricultural exports, and fuller U.S. engagement in Cuba is essential to bring positive change in the country. Our legislation will ensure that unnecessary government regulations do not hinder that progress.”

“The backwards American policy on Cuba hurts U.S. producers a lot more than it hurts Fidel Castro. When we consider our relationships with China, with Venezuela, and with Iran and compare them to Cuba, it's clear that we are holding the Cuban people to an unreasonable standard. Commerce and travel can be America's best ambassadors to Cuba, and it is time to untie the hands of producers in states like Missouri which depend on reliable foreign markets for agriculture like Cuba,” said Emerson.

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The companion bills overturn a 2005 Treasury Department rule that stifled nearly all the positive effects of Congress's 2000 law allowing agricultural sales to Cuba. The Treasury regulations that require shipments to be paid for in full before leaving U.S. ports turn agricultural exports into seizable Cuban assets. Before the rule, U.S. agriculture sales to Cuba were approaching \$1 billion. Now that foreign letters of credit are the primary way Cuban importers may pay for U.S. goods, agricultural exports to Cuba have dropped by nearly 15 percent and no cash basis sales have taken place.

The bills lift all restrictions on travel to Cuba. Current law provides only allows limited travel by Cuban-Americans, religious groups, and academics. All such travel has been severely curtailed by the Treasury Department since 2004.

The bills also allow Cuban buyers to make payments directly to American exporters, eliminating excess fees charged by intermediary foreign banks. They require and provide funds to the USDA to promote U.S. exports to Cuba, and to offer technical assistance to American producers interested in such sales. The bills also encourage the State Department to issue visas to trade and veterinary officials wishing to inspect American processing facilities and to make purchases, a provision particularly important to small exporters who cannot afford frequent travel to the island.

In addition to making agricultural trade cheaper and easier for U.S. exporters, the bills will lift a rule that requires exporters to physically verify receipt of allowable medicines and medical equipment on-site in Cuba – a restriction not placed on medical exports to countries like North Korea and Iran. The legislation also repeals a WTO-inconsistent U.S. law that prohibits American recognition of certain Cuban trademarks. That law potentially gives Cuban businesses leeway to usurp American trademarks and intellectual property.

The bills are expected to be referred to the Senate Finance and House Ways and Means Committees.

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